

75inQ Public Comment:

Electricity markets – removing barriers to power purchase agreements

This comment focuses on utility power purchase agreements (u-PPAs) as a subcategory of PPAs, that is, PPAs between generating and utility companies.

Introduction

75inQ welcomes the Commission's initiative in making a recommendation to help Member States with removing barriers to power purchase agreements, as those may have the effect of lowering and stabilising the price of energy for consumers over longer spans of time. On another note, 75inQ also welcomes the impact these measures may have on the financing of the energy transition. In 2023, still 76% of the EU's greenhouse gas emissions were from energy production and related energy use activities.¹

75inQ argues that other positive impacts may stem from this initiative where it is accompanied by framing provisions which ensure the passing-on to consumers of the commercial benefits generated by u-PPAs. In this very context, 75inQ is concerned with gendered energy poverty, the phenomenon by which female-led households are disproportionately affected by energy poverty. To ensure gender equality as provided for in art. 8 TEU, the European Commission must tackle energy poverty, as it affects more women than men, and produces further detrimental effects on women.²

Comment

Policies that facilitate u-PPAs, must oblige utility companies to pass on a fair share of their benefits onto the end-consumers. Without intervention, it is fair to expect that these distributors will not do so. To assess whether energy providers are indeed passing on a fair share of their benefits from PPAs, several methods could be used. A specific one could be borrowed from competition law. In cartel law, Article 101(3) TFEU requires that consumers receive a fair share of the claimed benefits from agreements between sellers. The concept of 'consumers' encompasses all direct and indirect customers of the products covered by the agreement. A myriad of secondary law and case law explain that consumers receive a fair share of the benefits when the benefits deriving from the agreement outweigh the harm caused by the

¹ European overview of GHG emissions | Climate change observations - 2025 edition. (n.d.). Climate Change Observations - 2025 Edition.

<https://www.statistiques.developpement-durable.gouv.fr/edition-numerique/chiffres-cles-du-climat/en/8-european-overview-of-ghg-emissions>

² Dr. Feenstra, M. (2025) Reframing Energy Poverty through a Gender Lens

agreement, so that the overall effect on consumers in the relevant market is at least neutral. *To be clear, this is not to argue that u-PPAs constitute cartel agreements under 101TFEU, but rather to argue for repurposing its benefit sharing assessment.*

A specific behavior from utility companies could ensure that a fair share of the benefits is passed onto consumers and alleviates energy poverty.

U-PPAs contractors could play a crucial role in combatting energy poverty. Long-term bilateral contracts may empower distributors to elongate the time-duration of fixed-price contracts for end-users. 75inQ firmly believes that a means to fight energy poverty is that of long-term fixed price contracts at affordable rates. While it is mandatory for energy providers to offer fixed-tariff year-long contracts,³ energy poverty may be better alleviated by even longer fixed-tariff contracts. Energy-poor consumers suffer disproportionately from the fluctuations of the price of energy from a year to another. Their overall financial precarity makes them more subject to financial stress when dealing with uncertainty over the future price of energy. They can then be forced to choose between essential energy services such as heating and clean cooking. Ensuring that the increase in PPA passes on a fair share of its benefits onto the consumers by offering longer-term fixed price contracts

Suggestions

In order to address such concerns in this recommendation, the text should:

1. Indeed encourage Member States to remove any remaining barriers to u-PPAs
2. Encourage Member states to oblige u-PPA contractors to offer longer-term fixed contracts to their consumers at competitive rates that pass on the benefit onto the consumer.
 - a. Either to all consumers
 - b. Or to energy-poor consumers in particular

AND/OR

2. Encourage Member States to conduct assessments of u-PPAs in relation to the share of benefits passed on to consumers according to the criteria of article 101(3).

About 75InQ:

The 75inQ foundation works to accelerate the transition to sustainable energy by promoting gender equality in line with the Sustainable Development Goals developed by the United Nations. The Dutch foundation conducts research, awareness campaigns, community outreach and facilitation to pursue these objectives. 75inQ focuses on SDG7 and SDG5 by accelerating diversity in the energy sector towards a more inclusive and sustainable energy transition. 75inQ has an active community of 1400 female professionals in the energy sector.

³ Directive 2024/1711 and Regulation 2024/1747